

United States
Circuit Court of Appeals

For the Ninth Circuit.

In the Matter of PATTERSON-MacDONALD SHIP-
BUILDING COMPANY, a Corporation, Bankrupt.

COMMONWEALTH OF AUSTRALIA,

Petitioner,

vs.

A. M. MacDONALD and JOHN L. McLEAN, as Trustee in
Bankruptcy of PATTERSON-MacDONALD SHIP-
BUILDING COMPANY, a Corporation, Bankrupt,

Respondents.

Petition for Revision

Under Section 24b of the Bankruptcy Act of Congress,
Approved July 1, 1898, to Revise, in Matter of
Law, a Certain Order of the United States
District Court for the Western District
of Washington, Northern Division,
and Transcript of Record in
Support Thereof.

FILED

JAN 19 1923

F. D. MONCKTON,
CLERK

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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italic; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italic the two words between which the omission seems to occur.]

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United States Circuit Court of Appeals for the
Ninth Circuit.

No. —.

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SHIPBUILDING COMPANY, a Corpora-
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COMMONWEALTH OF AUSTRALIA,

Petitioner,

vs.

A. M. MacDONALD and JOHN L. McLEAN, as
Trustee in Bankruptcy of PATTERSON-
MacDONALD SHIPBUILDING COM-
PANY, a Corporation, Bankrupt,

Respondents.

Petition for Review of Commonwealth of Australia.

To the Honorable Judges of the United States Cir-
cuit Court of Appeals for the Ninth Circuit:

The petition of the Commonwealth of Australia
respectfully shows unto the Court:

I.

That upon March 19, 1920, an order was duly
entered in the United States District Court for the
Western District of Washington, Northern Divi-
sion, adjudging Patterson-MacDonald Shipbuilding
Company, a corporation, bankrupt, upon its volun-
tary petition for such an order and upon the said
day the matter of the said bankruptcy was referred
to the Honorable Cicero R. Hawkins, Referee in
Bankruptcy, and thereafter on April 2, 1920, at the
first meeting of creditors of the said bankrupt duly

called and held before the said referee, [1*] John L. McLean was duly elected trustee of the said bankrupt, and thereafter duly qualified as such and ever since has been and is now the duly authorized and acting trustee for said bankrupt.

II.

That thereafter, on the 31st day of July, 1920, Mark Sheldon, as Commissioner for the Commonwealth of Australia, for and on behalf of this petitioner, presented and filed with the said referee a claim of this petitioner against the said bankrupt, in a sum in excess of \$1,000,000. That upon objections made to the said claim by the trustee, the said claim has been by the District Court disallowed, but an appeal from the said order of disallowance is now pending in this court, and according to the present knowledge and advice of this petitioner, this petitioner has a valid claim against the said bankrupt for a sum in excess of \$1,000,000, and the total of all other approved and unpaid claims against the said bankrupt is less than \$70,000.

III.

That at a meeting of the creditors of the said Patterson-MacDonald Shipbuilding Company, a corporation, bankrupt, held on August 18, 1922, before the Honorable Cicero R. Hawkins, Referee in Bankruptcy, there was presented to the creditors a letter from the said A. M. MacDonald to the

*Page-number appearing at foot of page of original certified Transcript of Record.

said John L. McLean, Trustee in Bankruptcy, of which the following is a copy, to wit:

“Seattle, Washington, July 20, 1922.

Mr. J. L. McLean, Trustee in Bankruptcy,

Patterson-MacDonald Shipbuilding Company,
Seattle, Washington.

Dear Sir:

Having been engaged by you and your attorneys, at the time of [2] your appointment as Trustee in Bankruptcy, to prosecute all claims for and against the Patterson-MacDonald Shipbuilding Company, I proceeded forthwith to assemble, first, documents, data and so forth necessary to enable me to intelligently carry on the large undertaking of properly establishing the claims of the Shipbuilding Company against the Australian Government and the United States Shipping Board, Emergency Fleet Corporation.

In the fall of 1920 arbitration proceedings were started with a view to adjusting the Company's claims against the Australian Government, which proceedings lasted until February, 1921. I then left for Washington, D. C., in company with Mr. H. B. Jones (of the firm of Bronson, Robinson and Jones, your attorneys) for the purpose of presenting the Company's claims against the Emergency Fleet Corporation. A great deal of detail work was necessary, as you can readily appreciate, before the matter was gotten into presentable form, but the work was more than justified in results obtained since the claims were allowed: the decision of the 'Claims Commission' was for a cash

payment in favor of the Company of three hundred fifty-three thousand (\$353,000.00) dollars, salvage materials valued at seventy thousand (\$70,000.00) dollars, and commitments to be assumed by the Emergency Fleet Corporation aggregating forty thousand (\$40,000.00) dollars. Total four hundred sixty-three thousand (\$463,000.00) dollars.

On my return from Washington, arbitration proceedings with the Australian Government were continued and in July, 1921, the Board of Arbitrators rendered their unanimous decision in favor of the Shipbuilding Company. Notice was then received from the United States Shipping Board that a new 'Claims Commission' had been appointed by the New Administration, which new Commission would reconsider all claims against the Emergency Fleet Corporation that [3] had already been adjudicated; this necessitated, of course, the reopening of the Patterson-MacDonald case, a practical duplication of the work previously done and in addition the preparation and presentation of additional supporting evidence as called for by the New Commission; this together with matters pertaining to the Company's claims against the Australian Government, consumed the time to October, 1921; I again journeyed to Washington in the interest of the Company's case against the Emergency Fleet Corporation; this time, after many strenuous and anxious sessions with the 'Claims Commission' a settlement was entered, which I consider a most satisfactory one for the

Shipbuilding Company, whereby the claimant received a cash payment of two hundred seventy-seven thousand two hundred fifty-three and 74/100 dollars (\$277,253.74) and in addition to such cash payment the claimant to retain for its own use and benefit all moneys received for salvaged materials the estimated value of which is seventy thousand (\$70,000.00) dollars; and further, the Emergency Fleet Corporation to assume all commitments, outstanding against the cancelled contract of the United States Shipping Board, amount approximating forty thousand (\$40,000.00) dollars, making a total settlement of three hundred eighty-seven thousand two hundred fifty-three & 74/100 dollars. The securing of the adjustment hereinabove recited and attending to all matters that came up in connection with our case until payment was finally made took the writer up until June of this year.

Up to date, my expenses on two trips to Washington, the one taking three and one-half months and the other a little over eight months, together with four trips from Washington to New York, totals seventy-four hundred and six (\$7,406.00) dollars in detail as follows: [4]

Railroad fares:

Two trips Seattle to Washington, D. C..	\$700.00
Four round trips Washington, D. C. to New York.....	116.00

Hotel expenses:

Including meals, miscellaneous and in- cidental items, 345 days at \$19.00..	6,555.00
Stenographic services	35.00

Total.....\$7,406.00

I have received from you through the court on my expense account payments as follows:

February 15, 1921.....	\$1,000.00
April 25, 1921.....	1,000.00
June 1st, 1921.....	1,500.00
October 5th, 1921.....	3,000.00
	<hr/>
	\$6,500.00

This leaves a balance unpaid, due me on expense account of nine hundred and six (\$906.00) dollars.

The work that you engaged me to perform is practically finished and I hereby make formal request of you at this time for a payment of twenty thousand (\$20,000.00) dollars, on account, for services rendered during the two years and four months last past.

Should you at any time find that you again need my services, I shall be only too pleased to render all assistance possible.

Yours truly,

A. M. McDONALD."

IV.

That thereupon this petitioner objected to the making of any allowance to the said A. M. MacDonald upon the grounds

First. That the said A. M. MacDonald was never employed to [5] render any services.

Second. That such services as he rendered were required of him under the Bankruptcy Act as an officer of the bankrupt.

Third. That the amount of the said claim was excessive.

V.

That at said meeting, the trustee and his attorneys advocated the payment of the said claim.

VI.

That at said meeting no witnesses were sworn or examined but the entire proceedings were taken and had upon the unsworn statement of the said A. M. MacDonald as set forth in said letter and the recommendation of the trustee's attorneys; that at said meeting said referee thereupon made an order allowing to the said A. M. MacDonald the sum of \$20,000.00 in full payment of his services and all of his expenses, and for the reason that the said A. M. MacDonald had already been paid the sum of \$6,500.00 entered an order that the said A. M. MacDonald be paid an additional sum of \$13,500.00.

VII.

That this petitioner thereupon filed with the said referee its petition for review of the said order of the said referee ordering the payment of \$13,500

to the said A. M. MacDonald, in which petition for review this petitioner claimed that the said ruling and order of the said referee were erroneous for the following reasons:

1. There was no sworn statement, either oral or written, and no itemized statement of any kind made to form the basis of any claim herein as required by the bankruptcy act and the rules and the practice of this Court.

2. That there is no segregation in the order of the items, so it is [6] impossible to determine how much was allowed the said A. M. MacDonald for expenses actually incurred and how much for services rendered, or how much was allowed the said A. M. MacDonald for each service rendered.

3. That the said trustee nor his attorneys were never authorized either by the referee or the creditors of the said bankrupt to agree, either expressly or impliedly, to pay the said A. M. MacDonald any sum whatsoever for services to be rendered by the said A. M. MacDonald.

4. That the said A. M. MacDonald rendered no services whatsoever other than what he was expressly required to render under the bankruptcy act.

5. That it is contrary to the letter and spirit of the bankruptcy act and rules and the practice of this court to pay an officer of the bankrupt for imparting information regarding the business matters and affairs of the bankrupt.

6. That the said allowance is excessive.

VIII.

That thereafter the said referee duly filed his certificate on review in the office of the clerk of the said District Court and thereafter upon the said matter coming up before the Court answers to certain questions propounded were stipulated in open court as true, to wit:

1. Was the said A. M. MacDonald a stockholder, officer or chief managing agent of the bankrupt at or prior to the adjudication of bankruptcy of the said bankrupt?

Answer: Yes.

2. Was there any sworn statement, either oral or written, made regarding the nature of the services rendered by the said A. M. MacDonald to the said bankrupt's estate?

Answer: No. [7]

3. Was there any segregation in the allowance for payment of expenses necessarily incurred and for services, and if so give such segregation.

Answer: None but letter.

4. Was there any segregation of allowances for services rendered in the matter of presenting the claim of the bankrupt's estate against the United States Emergency Fleet Corporation, and in the matter of contesting the claim of the Commonwealth of Australia, and if there was any such segregation what was the allowance for each item?

Answer: No segregation.

5. Is it a fact that in the event of the claim of the Commonwealth of Australia being rejected there will be a substantial sum of money left, after pay-

ing all claims of creditors, to be returned to the bankrupt corporation?

Answer: Yes.

IX.

That at the hearing before the Judge, it was stipulated that the said A. M. MacDonald might file an affidavit to be considered a part of the record, which affidavit as filed by the said A. M. MacDonald in accordance with said stipulation, omitting the formal parts, is as follows:

“A. M. MacDonald, being first duly sworn, on oath, deposes and says: That in response to the demand of Mr. Corwin S. Shank, attorney for the Commonwealth of Australia, and the instructions of the Court for submission of a sworn statement in support of his claim for compensation for services and expenses in the above matter, he does hereby refer to and adopt, and by this reference make a part of this affidavit as fully as if set forth at length herein, his letter of July 20, 1922, addressed to Mr. J. L. McLean, trustee in bankruptcy of the above estate, and does hereby under oath state that the facts set forth in said letter are true and correct, except as hereinafter modified; and affiant does further state in reference to this matter as follows: [8]

I left Seattle for Washington, D. C., February 18th, 1921, getting back to Seattle, May 28th, 1921.

I again left for Washington, D. C., October 25th, 1921, getting back to Seattle, July 4th, 1922, making a total of 351 days, 16 of these days being consumed on train.

These trips each way cost \$214.50 per trip, which included railroad fare, Pullman, meals and tips. The four trips totaled:\$ 858.00

Hotel and other expenses incurred on trip as follows:

Hotel, 335 days at \$7.00 per day..... 2,345.00
Meals at \$5.50 per day 1,842.50
Tips \$2 per day 670.00

Other miscellaneous expenses including luncheons, dinners, laundry, automobiles, etc., at \$4.50 per day.

This makes a total of \$19 per day.. 1,507.50

Four trips from Washington to New York 116.00
Stenographic services 35.00

\$7,374.00

A. M. MacDONALD."

X.

That thereafter on the 26th day of October, 1922, the said Court entered its order on the said petition and review denying the said petition and approving, confirming and sustaining the said order of the referee in every respect, to which order this petitioner took due and proper exception.

XI.

Your petitioner further shows that it is aggrieved by the said orders of the said District Court and injured thereby, and that the errors complained of consist: [9]

First: The Court erred in not sustaining the objections of these claimants to the said order of the said referee on the ground that there was no segregation in the order of the items so that it was impossible to determine from the said order how much was allowed the said A. M. MacDonald for expenses actually incurred and how much for services rendered, or how much was allowed the said A. M. MacDonald for each service rendered.

Second: The Court erred in not sustaining the objections of these claimants to the said order of the said referee on the ground that the said John L. McLean, trustee, in bankruptcy, nor his attorneys, were never authorized either by the referee or the creditors of the said bankrupt to agree, either expressly or impliedly, to pay the said A. M. MacDonald any sum whatever for services to be rendered by the said A. M. MacDonald.

Third: The Court erred in not sustaining the objections of these claimants to said order of the said referee on the ground that the said A. M. MacDonald rendered no services whatsoever other than what he was expressly required to render under the bankruptcy act.

Fourth: The Court erred in not sustaining the objections of these claimants to said order of the said referee on the ground that it is contrary to the letter and spirit of the bankruptcy act and the rules and practice of this court to pay an officer of the bankrupt for imparting information regarding the business matters and affairs of the bankrupt.

Fifth: The Court erred in not sustaining the objections of these claimants to said order of the said referee on the ground that the said allowance is excessive.

Sixth: The Court erred in approving the order of the [10] referee ordering payment to the said A. M. MacDonald in the sum of \$13,500.00.

XII.

Your petitioner further shows that the said trustee and his attorneys have throughout the said proceedings favored and advocated the payment of the said A. M. MacDonald's claim and the attorneys for the said trustees appeared upon the hearing in the said District Court in support of the said order of the said referee and in opposition to this petitioner's petition for review so that it would be a useless formality to ask that the said trustee petition this Court to revise the said order entered in the said District Court.

WHEREFORE, your petitioner prays that the said order, judgment and decree of the said District Court be reviewed and revised in the matters of law and that it be adjudged by this Court that the said orders of the District Court and of the referee be reversed and that the said A. M. MacDonald take nothing by his claim.

COMMONWEALTH OF AUSTRALIA.

By CORWIN S. SHANK,
Attorney for Petitioner.

United States of America,
State of Washington,
County of King.—ss.

Corwin S. Shank, being first duly sworn, on oath, deposes and says: That he is the attorney of the Commonwealth of Australia in the foregoing action and signed the foregoing petition on behalf of the said petitioner, being duly authorized thereto and that he has read the foregoing petition, and makes oath that the statements contained therein are true as he verily believes.

[Seal]

CORWIN S. SHANK.

Subscribed and sworn to before me this 21st day of December, 1922.

H. C. BELT,
Notary Public in and for the State of Washington,
Residing in Seattle. [11]

In the District Court of the United States for the
Western District of Washington, Northern Division.

IN BANKRUPTCY—No. 6361.

In the Matter of PATTERSON-MacDONALD
SHIPBUILDING COMPANY, a Corporation,
Bankrupt.

Referee's Certificate on Review.

I, C. R. Hawkins, one of the referees of this court in bankruptcy, do hereby certify that during the

course of the administration of said matter before me an order was made allowing A. M. MacDonald the sum of \$20,000.00 in full for his services rendered and expenses incurred in behalf of the trustee in the liquidation of the claim of the bankrupt against the United States Shipping Board Emergency Fleet Corporation, and for his services rendered the trustees in connection with the liquidation of the unliquidated claim asserted against said estate by the Australian Government in the sum of \$1,100,000.00, and for other services rendered the trustee in connection with the administration of said estate.

The said MacDonald having previously been paid the sum of \$6,500.00 on account of said services and expenses, the trustee was by said order directed to pay said MacDonald the sum of \$13,500.00 being the balance of said allowance.

The Australian Government, represented by its attorneys Messrs. Shank, Belt & Fairbrook, feeling aggrieved at said order filed its petition for review thereof, which was granted.

The six alleged errors of the referee in making the ruling and order complained of, which are set out in paragraph V of the petition for the review, present, I think, only two questions for review: [13]

1. Can an officer of a bankrupt corporation be reimbursed for expenses incurred and services rendered to the trustee of the bankrupt estate at the request of the trustee and creditors or must such services as was rendered by Mr. MacDonald in this

case be and remain uncompensated and the expenses incurred in rendering that service be paid from his personal funds?

2. Was the allowance made to said MacDonald in the order complained of excessive?

The facts pertinent to a consideration of the questions herein presented are briefly as follows:

That at the request of the trustee and with the knowledge and consent of the creditors, Mr. A. M. MacDonald left his home in the city of Seattle, journeyed with Mr. H. B. Jones, one of the attorneys for the trustees, to Washington, D. C., for the purpose of presenting and prosecuting the claim of the bankrupt corporation against the United States Shipping Board Emergency Fleet Corporation; that in the prosecution of that undertaking Mr. MacDonald made two trips from Seattle to Washington D. C., and spent the greater portion of a year in the prosecution of said claim against the Emergency Fleet Corporation; that as a result of the efforts of the attorneys for the trustee and said MacDonald, the trustee received in settlement of said claim the sum of \$277,000.00 in cash and other considerations amounting to approximately \$50,000.00.

It was at all times during the prosecution of said claim represented to the referee and the creditors by the trustee and his counsel that the services of Mr. MacDonald were absolutely essential to the successful preparation and prosecution of said claim and at the creditors' meeting at which the order complained of was made, it was stated to the cred-

itors by counsel for the trustee that a large portion of the amount realized by the [14] trustee in the settlement of said claim would have been sacrificed and lost to the creditors but for the service of Mr. MacDonald. The creditors, including the Australian Government, were at all times kept fully advised of the services being rendered by Mr. MacDonald and the apparent necessity for his presence in Washington, and from time to time consented at creditors' meetings to payments being made to him by the trustee to apply on account of his said services and expenses, and payments were authorized by the creditors and made on account thereof aggregating \$6,500.00.

Under such circumstances it was idle, in my judgment, to contend that no compensation would be paid on account of the services rendered because Mr. MacDonald was a stockholder and officer of the bankrupt corporation.

If the services of one stockholder, an officer, such as was rendered by Mr. MacDonald in this case, could be required by the trustee and the benefits thereof received and retained by the creditors without compensation, there would be no reason why the trustee might not require such service of even more service from any or all stockholders and officers of the corporation without compensation.

I recognize the right of the trustee to require from the bankrupt or the officers of a bankrupt corporation such information as will enable him to properly administer the estate, but I do not understand that he can require and receive such exten-

sive services as were rendered without fair and adequate compensation being paid therefor.

On the question of whether or not the amount allowed was excessive I do not care to say anything except that Mr. MacDonald presented a claim to the trustee for \$7,406.00 for his expenses and \$20,000.00 for his services. The trustee made [15] this letter or demand a part of his report, and notice was mailed to all the creditors advising them of the claim presented by MacDonald and that the same would be considered at the creditors' meeting and an order made disposing of the same. Prior to the creditors' meeting I had given the matter considerable thought and at said meeting sought the opinion of the various creditors and attorneys present. No objection was made by any creditors except the Australian Government to the allowance of compensation to Mr. MacDonald and no one present at said meeting, except said creditor, objected to the amount of the allowance. I was of the opinion that Mr. MacDonald's claim for expenses was unreasonable and as there had been no showing of the items of expense I did not attempt to make any specific allowance for expenses but considered it advisable to make him an allowance for his services only which was in my judgment sufficient to take care of any legitimate expenses.

In fixing this compensation I had in mind two things,—first, the capable, intelligent effort extended by Mr. MacDonald in behalf of the estate over the long period of time in the prosecution of the claim against the Emergency Fleet Corpora-

tion and the very satisfactory results of those efforts, also the excellent and capable service and the time spent in collecting data and preparing for the litigation in connection with the liquidation of the claim of the Australian Government.

It will be observed that in the petition for review it is alleged that no sworn statement of the services rendered or expenses incurred was ever filed by MacDonald in the bankruptcy proceedings. I refer to this simply to state that that matter was not called to the attention of the referee or the creditors at the time the matter was under consideration and no point was made concerning same by counsel for the objecting [16] creditor at that time and I do not think it can be a proper subject for review unless it had been called to the attention of the referee at the time the matter was under consideration and besides as has been above stated the trustee and the creditors, including the objecting creditor, was fully advised at all times of the services required by the trustee and rendered by the said MacDonald; was advised of the payment of \$6,500.00 on account thereof. Mr. MacDonald as well as the trustee and his counsel were at the meeting and answered all questions concerning same that were asked by creditors or the referee.

I sent up herewith as the record in this case:

1. Exhibit "D," which was annexed to the trustee's report made prior to the meeting at which the order complained of was made.
2. The order complained of.
3. The petition for review.

Dated at Seattle, in said District, this 9th day of September, 1922.

Respectfully submitted,

C. R. HAWKINS,

Referee in Bankruptcy.

[Indorsed]: Filed in the United States District Court, Western District of Washington, Northern Division. Sep. 9, 1922. F. M. Harshberger, Clerk. By P. A. Page, Deputy. [17]

In the District Court of the United States for the Western District of Washington, Northern Division.

No. 6361—IN BANKRUPTCY.

In the Matter of PATTERSON-MacDONALD SHIPBUILDING COMPANY, a Corporation, Bankrupt.

Petition for Review Regarding Paying Claim of A. M. MacDonald for Services.

The petition of the Commonwealth of Australia respectfully represents:

First: That heretofore on July 31, 1920, this petitioner duly presented its secured claim against the said bankrupt founded upon various breaches of a contract for the building by the bankrupt of ten ships for the petitioner, which said claim is now in process of adjudication, and this petitioner is a creditor of the said bankrupt having a provable claim against the said bankrupt's estate.

Second: That at a meeting of the creditors of the said bankrupt held on the 18th day of August, 1922, there was presented a claim of A. M. MacDonald for expenses and services rendered in connection with administering the estate of the said bankrupt, and that the said claim was, over the objection of this petitioner, allowed as an expense of administering the said estate in the sum of \$13,500.00, and thereafter upon the 23d day of August, 1922, an order was entered by the Honorable C. R. Hawkins, referee in bankruptcy, authorizing the payment of said claim, the same also being entered over the objection of this petitioner.

Third: That no sworn statement of services rendered, or of expense occurred, was ever filed in the said cause by the said A. M. MacDonald, or on his behalf, and the only representation which formed the basis of the said claim was [18] contained in the petition of the trustee filed herein to the effect that he had employed the said A. M. MacDonald to assist him in presenting a claim against the United States Shipping Board, Emergency Fleet Corporation, which said claim has been approved by the said Emergency Fleet Corporation and paid in the sum of something over \$277,000.00, and also in contesting the claim of this petitioner.

Fourth: That it further appeared that the said A. M. MacDonald was at the time of the adjudication in bankruptcy vice-president and general manager of the said bankrupt, and that the sole services rendered by the said A. M. MacDonald consisted in furnishing the trustee of the bankrupt with all

necessary information for the presentation of the said claim against the United States Shipping Board, Emergency Fleet Corporation and in contesting the claim of this petitioner.

Fifth: This petitioner claims that the said ruling and order of the said referee is erroneous for the following reasons:

1. There was no sworn statement, either oral or written, and no itemized statement of any kind made to form the basis of any claim herein as required by the bankruptcy act and the rules, and the practice of this court.

2. That there is no segregation in the order of the items, so it is impossible to determine how much was allowed the said A. M. MacDonald for expenses actually incurred and how much for services rendered, or how much was allowed the said A. M. MacDonald for each service rendered.

3. That the said trustee or his attorneys were never authorized either by the referee or the creditors of the said bankrupt to agree, either expressly or impliedly, to pay the said A. M. MacDonald any sum whatsoever for services to be rendered by [19] the said A. M. MacDonald.

4. That the said A. M. MacDonald rendered no services whatsoever other than what he was expressly required to render under the bankruptcy act.

5. That it is contrary to the letter and spirit of the bankruptcy act and the rules and the practice of this Court to pay an officer of the bankrupt for imparting information regarding the business matters and affairs of the bankrupt.

6. That the said allowance is excessive.

Sixth: That this petitioner desires a review by the Judge of this court of the said order made by the said referee, and files this petition therefor, and he therefore prays that the order complained of and the question of law and fact raised before the said referee and decided by him may be certified by the said referee to the district Judge of this court that he may review the said order heretofore made and make an order setting aside the said order of payment, and that the said sum of money and no part thereof be paid, and your petitioner ever prays.

COMMONWEALTH OF AUSTRALIA.

By SHANK, BELT & FAIRBROOK,

Its Counsel.

[Indorsed]: Filed in the United States District Court, Western District of Washington, Northern Division. Sep. 9, 1922. F. M. Harshberger, Clerk. By P. A. Page, Deputy. [20]

In the District Court of the United States for the Western District of Washington, Northern Division.

IN BANKRUPTCY—No. 6361.

In the Matter of PATTERSON-MacDONALD
SHIPBUILDING COMPANY, a Corporation,
Bankrupt.

Order for Disbursement.

WHEREAS, at a creditors' meeting duly called and held on Friday, August 18th, 1922, at the hour

of two o'clock P. M. at the office of the Referee in Bankruptcy, 1204 L. C. Smith Building, Seattle, Washington, the claim of A. M. MacDonald for allowance and payment on account of expenses incurred and services rendered on behalf of the trustee in connection with the prosecution of the claim of the bankrupt against the United States Shipping Board Emergency Fleet Corporation, and litigation with the Australian Government, and investigation and settlement of claims against the bankrupt, was duly considered and passed upon, and a total allowance made to him therefor of \$20,000, covering such services and expenses, whereof he has heretofore been paid the sum of \$6,500,

NOW, IT IS HEREBY ORDERED that the trustee be and he is hereby authorized and directed to pay to said A. M. MacDonald by his check as trustee herein, to be duly counter-signed by the Referee, the sum of \$13,500.00.

Dated at Seattle, in said District, this 23 day of August, 1922.

C. R. HAWKINS,
Referee.

Approved:

_____,
Judge. [21]

In the District Court of the United States for the
Western District of Washington, Northern Di-
vision.

IN BANKRUPTCY—No. 6361.

In the Matter of PATTERSON-MacDONALD
SHIPBUILDING COMPANY, a Corpora-
tion, Bankrupt.

**Order on Petition for Review on Allowance to
A. M. MacDonald.**

This cause came on to be heard at this term upon the petition of Mark Sheldon as Commissioner for the Commonwealth of Australia and the Commonwealth of Australia, to review an order made and entered by the Referee herein upon the 23d day of —, 192—, allowing and ordering payment to A. M. MacDonald of the sum of Thirteen Thousand Five Hundred Dollars (\$13,500.00), and was argued by counsel, and thereupon, upon consideration thereof, it was

ORDERED, ADJUDGED and DECREED that said petition be and it hereby is denied, and the said order be and it is hereby approved, confirmed and sustained, in every respect.

Done in open court this 26 day of October, 1922.

JEREMIAH NETERER,

Judge.

To the foregoing the Commonwealth of Australia and Mark Sheldon, as Commissioner for the Com-

monwealth of Australia, excepts, and their exception is allowed.

Oct. 26, 1922.

JEREMIAH NETERER,
Judge.

[Indorsed]: Filed in the United States District Court, Western District of Washington, Northern Division. Oct. 26, 1922. F. M. Harshberger, Clerk. By P. A. Page, Deputy. [22]

United States of America,
Western District of Washington,—ss.

I, F. M. Harshberger, Clerk of the District Court of the United States for the Western District of Washington, do hereby certify that I have compared the foregoing copy with the original Certificate of review on compensation to A. M. MacDonald petition for review, order of reference, order denying petition in the foregoing entitled cause, now on file and of record in my office at Seattle, Wash., and that the same is a true and perfect transcript of said original and of the whole thereof.

Witness my hand and the seal of said court, this 15th day of December, 1922.

[Seal] F. M. HARSHBERGER,
Clerk.

By Frank L. Crosby, Jr.,
Deputy.

[Endorsed]: No. 6361—B. In the District Court of the United States for the Western District of Washington. In the Matter of Patterson-MacDonald Shipbuilding Company, a corporation, Bank-

rupt. (A. M. MacDonald and John L. McLean.)
Certified Copy of Referee's cert. on review. Order
of reference, petition for review, order of court
denying said petition. [23]

United States Circuit Court of Appeals for the
Ninth Circuit.

No. —.

In the Matter of PATTERSON-MacDONALD
SHIPBUILDING COMPANY, a Corpora-
tion, Bankrupt.

COMMONWEALTH OF AUSTRALIA,

Petitioner,

vs.

A. M. MacDONALD and JOHN L. McLEAN, as
Trustee in Bankruptcy of PATTERSON-
MacDONALD SHIPBUILDING COM-
PANY, a Corporation, Bankrupt,
Respondents.

Notice of Filing Petition for Review.

To Messrs. Bronson, Robinson & Jones, Attorneys
for the Above-mentioned Respondents.

YOU ARE HEREBY NOTIFIED that on the
26th day of December, 1922, at the opening of the
office of the clerk of the United States Circuit Court
of Appeals for the Ninth Circuit, in the City of
San Francisco, California, I will file in said office
a petition for review in the above-entitled cause, a
copy of which petition is hereto attached as a part

of this notice, and I will then ask to have the case docketed and the necessary order made therein to have the said case set down for hearing.

CORWIN S. SHANK,

Attorney for Said Petitioner Commonwealth of Australia.

We hereby accept service of the above notice this 21st day of December, 1922.

BRONSON, ROBINSON & JONES,

Attorneys for Said Respondents.

[Endorsed]: No. —. United States Circuit Court of Appeals for the Ninth Circuit. In the Matter of Patterson-MacDonald Shipbuilding Company, a Corporation, Bankrupt. Commonwealth of Australia, Petitioner, v. A. M. MacDonald and John L. McLean, as Trustee in Bankruptcy of Patterson-MacDonald Shipbuilding Company, a Corporation, Bankrupt, Respondents. Notice of Filing Petition for Review. [24]

[Endorsed]: No. 3961. United States Circuit Court of Appeals for the Ninth Circuit. In the Matter of Patterson-MacDonald Shipbuilding Company, a Corporation, Bankrupt. Commonwealth of Australia, Petitioner, vs. A. M. MacDonald and John L. McLean, as Trustees in Bankruptcy of Patterson-MacDonald Shipbuilding Company, a Corporation, Bankrupt, Respondents. Petition for Revision Under Section 24b of the Bankruptcy Act of Congress, Approved July 1, 1898, to Revise, in Matter of Law, a Certain Order of the United

States District Court for the Western District of Washington, Northern Division, and Transcript of Record in Support Thereof.

Filed December 26, 1922.

F. D. MONCKTON,
Clerk of the United States Circuit Court of Appeals
for the Ninth Circuit.

By Paul P. O'Brien,
Deputy Clerk.

